

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region I - EPA New England

Drafted Date: October 28, 2011

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SUBJECT: Full Compliance Evaluation of Hess Terminal in Groton, CT

FROM: Elizabeth Kudarauskas, Environmental Engineer, Air Technical Unit

THRU: Christine Sansevero, Senior Enforcement Coordinator, Air Technical Unit

TO: File

I. Facility Information

A. Facility Name: Hess Corporation

B. Facility Location: 443 Eastern Point Road, Groton, CT

C. Facility Mailing Address: same

D. Facility Contact: Michael Malley, Terminal Superintendant

E. AFS #: 0901100606

II Background Information

A. Date of inspection: August 3, 2011

B. Weather Conditions: Sunny, approx. 80's

C. US EPA Representative(s):

Beth Kudarauskas, OES Air Tech Unit

Bill Osbahr, OEME

Mike Looney, OEME

D. State Representative(s):

Mark Potash, CT DEP

E. Permits:

CT General Permit to Limit Potential to Emit, renewed 2/14/11

III Purpose of Inspection

The purpose of this inspection was to gather information to evaluate the facility's compliance with environmental regulations pertaining to air, including state permitting requirements, with an emphasis on potential VOC emissions from the storage of #6 oil and asphalt.

IV Facility Description

A. Company / Facility History:

Hess Corporation owns and operates a bulk fuel distribution terminal with loading rack in

Groton, CT.

V Inspection

A. Entry:

The inspectors entered the facility at approximately 8:30 am. Ms. Kudarauskas showed her credentials to the terminal security and Michael Malley.

B. Opening Conference:

The inspectors were joined by Mr. Malley of Hess for the opening conference. The inspectors explained that they were there to conduct an unannounced inspection of the facility to evaluate compliance with air regulations. Ms. Kudarauskas stated that the inspectors would conduct a full compliance evaluation. The inspectors explained that they planned to spend some time at the facility asking questions, touring the facility, and using leak detection equipment including a FLIR camera and possibly, a TVA 1000. Results from the leak monitoring and the FLIR camera will be included as an attachment to this report when available from OEME.

To facilitate the discussion, Mr. Malley showed the inspectors a facility map. The Hess Terminal operates dock, loading rack and storage tanks. The Hess Terminal has 11 major storage tanks that are used to store the following products:

- #2 dyed heating oil
- ULSD
- Kerosene
- #6 oil

No gasoline or asphalt is stored by Hess. However, Hess does have two additive tanks, one 500 gallon capacity and one 5,000 gallon capacity.

Mr. Malley stated that the facility was in the process of emptying all tanks of #6 oil and getting out of the business of storing and distributing #6 oil entirely. At the time of the inspection, all tanks were empty and a contractor was on-site to flush out the lines. At the Hess Terminal there were three tanks that previously held #6 oil and one tank that previously held #4 oil. Mr. Malley expects that within a few weeks the facility would complete the process of eliminating all #6 oil and associated equipment.

Mr. Malley stated that the #6 oil tanks will likely be used for #2 oil or ULSD storage in the future.

The Hess Terminal currently has two boilers, one 300 horsepower and one 500 horsepower. The boilers burn #6 oil and are used to heat the large #6 oil tanks. The boilers were still functional but not operating at the time of the inspection. Mr. Malley stated that the boilers would be mothballed as part of the removal of the #6 oil equipment. Once the current boilers are

mothballed, the Hess Terminal plans to install a #2 oil furnace for heat.

When the Hess Terminal was storing #6 oil, the product was primarily moved out through a truck loading rack. Mr. Malley stated that occasionally #6 oil was loaded onto a barge, but not often.

When the Hess Terminal was storing #6 oil, an odor control system was in place. CT DEP has records of odor complaints about this Hess Terminal, most recently in 2006. The odor control system consisted of a tank vent collection system which routed vapors to a unit which sprayed a mist of EcoSorb to control odors.

The Hess Terminal currently has a General Permit to Limit Potential to Emit (GPLPE) from CT DEP that covers the boilers, storage tanks and loading operations.

C. Plant Walkthrough

Mr. Malley walked the inspectors through the tank farm. In the tank farm Mr. Looney demonstrated the FLIR camera and looked at Tanks 4407 (#2 oil) and Tank 4408 (ULSD). Mr. Looney also used the FLIR camera on Tank 4494, which contained a winter additive for diesel. The additive contained some VOCs and Mr. Looney saw emissions with the FLIR camera when the tank fill cap was opened.

Because the Hess Terminal does not store gasoline and did not have any #6 oil on-site, Mr. Osbahr did not use the TVA 1000.

At the time of the inspection the #6 oil odor control system was not operating and was partially dismantled. The inspectors saw contractors working in the tank farm to clear the pipes of any residual #6 oil.

The inspectors saw both boilers in the boiler house. Boiler 442 was a Cleaver Brooks boiler with a date of 7/6/1964 and rated at 12,554,000 Btu per hour. Boiler 441 was also a Cleaver Brooks boiler with a date of 7/8/1964 and rated at 20,922,000 Btu per hour. Neither boiler was operating at the time of the inspection. Both boilers burn #6 oil and will be taken out of service within the next few weeks. Mr. Malley stated that the contractors discovered asbestos in the boiler stack, which may be relevant when the boilers are decommissioned.

The inspectors saw the stormwater drainage tank. The facility has the capacity on-site to act as a detention area for large rain events.

The inspectors walked on the Hess Terminal dock.

The Hess Terminal has a pipeline to Pfizer, located next door. The pipeline is no longer in use. Mr. Malley stated that CT tax laws made the pipeline cost prohibitive. The inspectors were able to observe what appeared to be a large insulated storage tank (possibly #6 oil) on the Pfizer

property.

D. Record Review and Closing Conference

In the office, Ms. Kudarauskas reiterated the purpose of the inspection. Mr. Malley was reminded to contact the state permitting office if any operational changes occurred as part of the construction on-site.

The inspectors left the facility at approximately 10:30 am.